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ENVOYS GIVE INTERVIEWS BEFORE DEPARTING HELSINKI

CSSR's Chnoupek

LD022151 Prague Domestic Service in Czech 1630 GMT 2 Aug 85

[From "The Magazine Program"]

[Text] At the conclusion of the meeting of the representatives of 35 signatory countries of the CSCE Final Act held in Helsinki on the occasion of its 10th anniversary, the Czechoslovak minister of foreign affairs, Bohuslav Chnoupek, gave an interview to a special correspondent of Czechoslovak radio.

[Begin recording] [Correspondent] Comrade Minister, what is your opinion about the course of the foreign ministers' meeting staged on the occasion of this anniversary?

[Chnoupek] I would like to say that the gathering of the signatories of the Final Act, after a lapse of 10 years, is exceptionally important. The very fact that such a meeting has actually taken place testifies that there is a political will to use this occasion as an important impulse towards a positive change in the present international situation. The Finnish contribution towards success of this meeting is exceptionally high. This applies in particular to the Finnish president and the Finnish Government. I wish to emphasize this fact especially. The meeting has enabled us -- the socialist countries -- to give a reminder of the important political initiatives from the Prague and Warsaw summit meetings of the Warsaw Pact. The meeting also bore an imprint by the new and significant initiative of the Soviet foreign policy declared on the eve of the opening of this meeting by Comrade Gorbachev. The meeting created an opportunity for the first informative meeting between the Soviet foreign minister, Comrade Shevardnadze, and the United States secretary of state, Shultz. This first meeting was jointly described as open, constructive, interesting, and useful and will certainly bear fruit. (?During) this meeting the views about complex problems that should become the subject of the forthcoming visit between the highest representatives of the USSR and of the United States were exchanged. This fact itself speaks about the exceptional importance of this Helsinki meeting.

If I am to continue to list the positive features of the Helsinki meeting, then I would like to note that the important characteristic of the majority of speeches, including those from the nonsocialist countries, was a decisive and strong call for ending the period of tension in mutual relations and for the revitalization of the process of gradual tackling of the piled up problems in Europe and in the world. It was also noted that, the recent period of tension demonstrated the topical nature and vitality of the principles of development of relations among states, as they are embodied in the Final Act, which was signed 10 years ago. It is also possible to say that all the speakers emphasized the need to utilize the existing instruments created in the post-Helsinki period, such as the Stockholm conference, negotiating fora in Geneva and Vienna, as well as the future meeting of the signatories in Vienna, in order to achieve concrete and positive results.

In its contributions to the conference, our delegation continued in the resolute words expressed 10 years ago by Gustav Husak, general secretary of the CPCZ Central Committee and president of the Republic: to fulfill the Final Act in its entire complexity, to develop mutual efforts in order to bring about changes in the present state of tension. I think that this speech was received with understanding, too.

[Correspondent] You held a number of bilateral talks in the course of the meeting. What were the features of these talks?

[Chnoupek] We had talks with many foreign ministers. However, in the first place it is necessary to note the comparably open talks with Comrade Eduard Shevardnadze, CPSU Central Committee Politburo member and minister of foreign affiars. During this meeting we highly assessed the comprehensive successful development of the fraternal relations between our two socialist countries, our close alliance and cooperation in all the spheres of the life of the peoples of our countries. We also noted with pleasure that the foreign services of the CSSR and the USSR are with the closest collaboration implementing the united and coordinated foreign policy according to the strategy of our fraternal communist parties. The talks with the foreign ministers of other socialist countries confirmed yet again common interest in the effort to coordinate closely our foreign policy activities in the full interest of the peaceful future of the world.

Of course, we also talked in Helsinki with representatives of the Western capitalist countries, either NATO members or representatives of the neutral or nonaligned countries. Concretely, I had comprehensive talks with the Finnish premier, Mr Sorsa; the minister of foreign affairs of Finland, Mr Vayrynen; the West German vice-chancellor and the minister of foreign affairs, Genscher; the minister of foreign affairs of Austria, Gratz; and with the Turkish foreign minister, etc.

Again we had a chance to find that Socialist Czechoslovakia is a respected partner and is also -- without exaggeration -- a sought-after partner. Our talks in Helsinki confirmed that we are an active and respected participant in the European dialogue. We conducted our talks with our partners in an open and constructive spirit aimed at tackling the issues based on mutual understanding and on the principles of peaceful coexistence of the states with the different social systems.

[Correspondent] Comrade Minister, what do you think now, after the Helsinki meeting has finished, about the prospects for detente?

[Chnoupek] I think that the Helsinki meeting of the participating countries has again confirmed the viability of the Final Act, which was approved 10 years ago. It also confirmed the principles of the interstate relations contained in the Final Act. The Helsinki meeting is therefore a well-tried recipe for solving present issues on a European and a world scale. Of course, it is necessary that in the interest of achieving the positive results all the participants demonstrate their political will through their concrete deeds. As far as the CSSR and the socialist countries as such are concerned, then our political will is demonstrated by the activity in the shape of new proposals on tackling the present situation in the world that we put forward. Let us hope that we receive constructive answers from the West to these proposals. [end recording]

GDR's Fischer

LD022114 East Berlin Voice of GDR Domestic Service in German 1605 GMT 2 Aug 85

[Interview with GDR Foreign Minister Oskar Fischer 'shortly before his departure from Helsinki' by special correspondent Guenther Leuschner -- recorded]

[Text] [Leuschner] The meeting of the foreign ministers of CSCE participating states has just been ended. What do you see as its significance; what results has it achieved?

[Fischer] Probably the most important result of this meeting is the confirmation of the CSCE Final Act. This document, solemnly signed 10 years ago here in Helsinki, an occasion which, by the way has its place in history books, remains, as Comrade Erich Honecker said in his speech here 10 years ago, just the same code of beneficial relations between states of different social systems.

From the speeches of all participating states of this meetings, however varied they were, it became clear that all those involved have profited from the process for security and cooperation. It has become literally indispensable for any policy that is based on reason and realism, for any policy that aims for peace. Also the bilateral meetings which I had with my foreign minister colleagues clearly showed this.

[Leuschner] Well, you have of course already spoken about the balance sheet drawn up here by the ministers for these 10 years, but eyes were, of course, directed above all to the future.

[Fischer] Quite so. To put it clearly, the anniversary meeting of the foreign ministers was no nostalgic meeting of historians; rather it was a question of establishing unambiguously how the 35 states of Europe, the United States, and Canada imagine the further realization of the Final Act and what they are doing to enhance peace and cooperation.

In the GDR's view this requires the intensification of the political dialogue between states with different social systems and above all to be guided as to how detente can be attained again and how a nuclear catastrophe can be prevented. Ultimately, this also requires the negotiation of measures for military detente so that mistrust can be dismantled and trust may grow as the basis for any form of arms limitation disarmament as well as cooperation.

This requires that everything be put aside that stirs up confrontation and the arms buildup, and that everything favoring the peaceful coexistence of the states and peoples be done. The Final Act, and this has been shown also by the past 10 years, offers great scope for this, and I represented this view to foreign ministers yesterday.

[Leuschner] In the first comments on your speech, Comrade Minister, the constructiveness and feasibility of the concept put forward by you have been mentioned. But there were also other, dissenting voices to be heard at this meeting.

[Fischer] Unfortunately you are right there, Comrade Leuschner, although those contributions remained in the minority, in a spirit marked by confrontation and anticommunist propaganda. Many impartial listeners to this or that speech must indeed have asked themselves in bewilderment whether in reality some unresolved so-called humanitarian cases were the cause of increased danger of war, or whether it was the course towards the arms buildup and confrontation, the deployment of first strike weapons of the United States in West Europe, and recently the "star wars" plans that place the existence of humanity in doubt.

But what remains encouraging is that the overwhelming majority do not want confrontation. Like the socialist states they seek a peaceful (?resolution). The path from Helsinki offers a chance for this, and one must make use of it. The majority, differently motivated it is true, want to cooperate in peace, and at the least to live in peace. The beneficial coexistence of states and the peoples, indeed of individuals, allows itself to be shaped in this spirit.

Hungary's Varkonyi

LD042030 Budapest Television Service in Hungarian 1730 GMT 4 Aug 85

[Interview with Foreign Minister Peter Varkonyi by reporter Janos Hadju; from "The Week" program; date and place not given -- recorded]

[Text] [Hadju] Comrade Varkonyi, the continent was celebrating the 10th anniversary of the signing of the Helsinki documents and on this occasion the foreign ministers met in Helsinki. As far as we know you had the opportunity to meet 14 colleagues personally, besides attending the plenary meeting and addressing it. What are your impressions?

[Varkonyi] I tell you frankly that I had been looking forward to this event as something that would increase the importance of the Helsinki process and give a positive impetus to further developments in Europe. In any case I might contribute to the reduction of tension in Europe and consequently also to the relaxation of tension worldwide. Well, I was not disappointed in my expectation. Of course the speeches made there need further analysis, but I think I can state with all assurance at this stage that all participants committed themselves to the implementation of the Final Act and to the need to keep the Helsinki process alive and to continue it. In short, they committed themselves to the principles of European detente, cooperation, and security.

[Hadju] In the recent years we, who have always worked for it, asked modestly that at least something be saved of the spirit of Helsinki. Which questions did you find contained the most elements of tension?

[Varkonyi] There may be differences of opinions concerning the implementation of the recommendations of the different baskets. There were several baskets, as you may recall, and the American, and some other Western, contributors put the main emphasis on a particular interpretation of so-called human rights, neglecting somewhat at the same time the economic, commercial, cultural, and other human contacts. We, for our part, argue that all recommendations of the Final Act be implemented with equal emphasis, simultaneously. The Hungarian Government can state in full assurance, and I spoke to this effect at the Helsinki meeting, that it has always abided by the recommendations of the Final Act, and is implementing them so wholly that in some respects we are even farther ahead than required by the Final Act recommendations.

[Hadju] The new Soviet Foreign Minister Shevardnadze talked for the first time with his American colleague Shultz. They agreed to hold a summit meeting late autumn. Did these facts favorably influence the atmosphere of their present meeting?

[Varkonyi] In all certainty. The focus of attention, and tremendous attention at that, was the meeting between Shevardnadze and Shultz. You could measure the importance of the meeting even on the behavior of the press. Wherever we saw a lot of flashguns and journalists it was either Shevardnadze or Shultz who was in the center, or the two together. And they were together a lot. The meeting -- well, the different tone and content of the speeches have apparently struck the Hungarian public, too. We heard Comrade Shevardnadze's address, which in my opinion, was very balanced and sober and put the principal emphasis on cooperation and the policy of detente, and also the speech by U.S. Secretary of State Shultz, which, well, contained some rather sharp attacks on the USSR. Yet this apparently did not make an impact on the rather objective and frank atmosphere in which their 3-hour meeting took place and both parties confirmed that with the help of simultaneous translation they really did 6 hours work. Both sides expressed satisfaction over the talks, they even used the same epithets. [as heard]

[Hadju] Comrade Minister, the leaders of the Hungarian party and state made consistent efforts also in 1984, when many others failed to do so, to keep the contacts we have built from declining. At that time these efforts were appreciated worldwide. Did you, as the foreign minister of Hungary, have the opportunity to sense this atmosphere concerning our country?

[Varkonyi] I understand what you are driving at. My answer is that we never ceased to pursue a principled policy, a consistent principled policy that involves as its important factor and concomitants a flexible practice and the effort to build as many contacts as possible and to maintain dialogue between East and West and establish mutually beneficial relations. This attitude was duly appreciated in the past and is still appreciated. I think it is correct to say, and this we have repeated on many occasions, that the Helsinki process has grown deep roots in Europe. What are these deep roots? In my view the principal constituent of these roots is bilateral contact. Since the signing of the Helsinki documents thousands of bonds have developed between the countries of Eastern and Western Europe, political, economic, cultural, and other human contacts alike. And these are proving to be strong enough roots not to yield to even the fiercest of storms, at which you hinted in your question. I am certain these roots will continue to strengthen and spread in the future, and this was really what we talked about in Helsinki and these efforts of ours met with appropriate response on the part of the colleagues I had the opportunity to talk with.

1986-90 ECONOMIC COOPERATION PLAN WITH GDR SIGNED

AU301609 East Berlin NEUES DEUTSCHLAND in German 29 Jul 85 p 2

[Text] Budapest (Hans Teichmann dispatch) -- On 27 July Gyorgy Lazar, member of the MSZMP Central Committee Politburo and chairman of the Council of Ministers of the Hungarian People's Republic, received Gerhard Schuerer, candidate member of the SED Central Committee Politburo, deputy chairman of the GDR Council of Minister, and chairman of the State Planning Commission, who was in Hungary for final deliberations on coordination of the two countries' national economic plans for the 1986-1990 period. In the friendly talk both sides paid tribute to the results of coordination of the national economic plans as an expression of the high level of scientific-technological and economic cooperation and fraternal relations, which are a valuable contribution to developing the capacity of the national economies of the two countries and to strengthening the community of socialist states.

Proceeding from the June 1982 agreements between Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, and Janos Kadar, MSZMP first secretary, from the March 1984 deliberations of the Council of Ministers' chairmen of the two countries, as well as from the economic talks of the CEMA member-countries at the highest level, coordination of the national economic plans marks the successful conclusion of another stage in the adjustment of further cooperation. Economic and scientific-techological cooperation for the coming 5-year plan period is thus raised to a higher level.

During the meeting the interlocutors briefed each other on the initiatives of their countries' working people concerning implementation of the resolutions of the 13th MSZMP Congress and the preparation for the 11th SED Congress. The 10th SED Central Committee session, Schuerer stressed in this connection, made important decisions setting higher standards for the GDR.

On the same day, Gerhard Schuerer and Lajos Faluvegi, deputy chairman of the Council of Ministers and chairman of the Hungarian National Planning Office, signed the protocol on coordination of the national economic plans of the two countries for the 1986-1990 period.

In line with the decisions of the party leaderships and governments of the GDR and the Hungarian People's Republic, joint efforts will be increasingly aimed at comprehensive intensification of the national economies. They contribute to accelerating scientific-technological progress, increasing the effectiveness of societal production, and raising labor productivity.

An important role is played by the tasks of scientific-technological cooperation in the 1986-1990 period. The main areas of focus are the development and application of key technologies, such as microelectronics robot technology, and biotechnology.

Of equal importance are the measures for the further intensification of production specialization and cooperation, which are aimed at efficient utilization of the production capacities of the two countries. It was laid down on the basis of the protocol that a long-term trade agreement for the 1986-1990 period should be prepared and commerical agreements concluded.

It was agreed to continue the traditional deliveries to one another of raw materials and fuels. Among other things, the GDR will deliver brown coal briquettes and potash, and Hungary is to supply aluminum, alumina, and grain.

The GDR is to supply Hungary with products that are important for the development of its national economy, such as open-cast mining equipment, agricultural machinery, road vehicles, machine tools, fittings, hydraulics, scientific equipment, accounting technology, plant-protection agents and pesticides, pharmaceutical goods, as well as goods to supply the population, such as private cars, motorcycles, electrical appliances, sewing machines, washing machines, hosiery, and others.

Hungarian exports to supply the national economy and the population of the GDR involve, in particular, Ikarus buses, agricultural machinery, machine tools, electronic products, pharmaceutical goods, plant-protection agents and pesticides, furniture, and other items. Products of agriculture and the food industry, such as fresh vegetables, fresh fruit, canned fruit and vegetables, and wine form a large proportion of Hungarian exports to the GDR.

In addition to that, preconditions for the further development of tourism between the two countries were created.

The signing of the protocol at the conclusion of coordination of the GDR-Hungarian national economic plans for the 1986-1990 period was attended by Wolfgang Rauchfuss, deputy chairman of the Hungarian Council of Ministers, and Karl-Heinz Lugenheim, GDR ambassador extraordinary and plenipotentiary to the Hungarian People's Republic.

VARKONYI RETURNS FROM HELSINKI CSCE CONFERENCE

LD021651 Budapest Domestic Service in Hungarian 1630 GMT 2 Aug 85

[Text] The Hungarian foreign minister has returned from the Finnish capital. Peter Varkonyi took part in the foreign ministers' meeting held on the 10th anniversary of the signing of the Helsinki Final Act.

USSR MORATORIUM VIEWED, U.S. OBJECTIONS REBUTTED

LD030045 Budapest Domestic Service in Hungarian 2020 GMT 2 Aug 85

[From the "Ten Minutes of Foreign Policy" program presented by Jozsef P. Szabo with military expert Gyorgy Szentesi and Gyorgy Bolgar, not further identified]

[Excerpt] [Szabo] I now ask Gyorgy Szentesi whether the proposal for a moratorium on nuclear explosions was a political or military one.

[Szentesi] I feel that it was a military one. It was a military one from the point of view that nuclear weapons are at such a high level today that in reality someone who intends to maintain the balance has no need to develop further varieties of nuclear weapons.

[Szabo] May I take it that this proposal, in the military sense, is in the interest of both the United States and the USSR?

[Szentesi] By all means, because both sides possess an enormous amount of mass destruction weapons, primarily nuclear weapons. There is no point in further increasing the stock of nuclear weapons either in number of in quality. In other words, there should be an end now; development should be frozen at this point in time because the development of newer weapons is by any account related to testing and experiments. It is well-known that nuclear weapon tests are banned on the ground, in space, in the atmosphere, and in the sea and that these have not been carried out by the two superpowers for a long time -- over 20 years.

There is still, however, an area where nuclear weapons tests are carried out and this is under the ground. Nuclear appliances, explosive nuclear structures, may also be tested under ground, and the USSR now proposes banning these, too. The USSR desires, via a bilateral moratorium, that the United States also take a similar road.

[Szabo] I have heard an American argument according to which the USSR would achieve a favorable position with the moratorium because the USSR allegedly carries out its nuclear explosions in a concentrated manner -- i.e. many are carried out in a large series. This means the following months could be used by the USSR for preparation, and if in January the USSR were to continue the explosions, it would be in a favorable position.

[Szentesi] This is not likely because if the United States takes the same line, then no continuation whatsoever will take place in January. Second, whether explosions are carried out in a series or not, the data from the past few years prove that the USSR has not carried out more, or not substantially more, than the United States; and in the judgment of Western experts, a good many among these explosions were used for earth works, really beneficial work -- and the aim was not expressly nuclear weapons tests.

[Szabo] So what really is the American refusal because it appears that the Americans are in no particularly hurry to agree and so they refuse instead. What is the reason for this: No?

[Szentesi] The reason could be that they are working on newer types of nuclear weapons, so it is in their interest that now, in the middle of a series of experiments, the work continue and that the test explosions they intend to carry out are for the development, now in progress, of newer nuclear explosive warheads.

[Szabo] There is an aspect of the American military argument according to which they really cannot verify whether or not the USSR does indeed fulfill the moratorium. Can this argument be accepted or not?

[Szentesi] Under no circumstances can this be accepted because a few hours or days after a Soviet test explosion occurs it appears in the world press, from American sources, that the USSR exploded approximately such and such a size of warhead at such and such a part of her territory. If there are means and ways for this, then it seems simply incomprehensible not only to me but to others, including experts, why they say that these explosions cannot be verified.

[Szabo] It is precisely in this connection that the issue of a U.S. counterproposal, if, in fact, this can be called a counterproposal, arises. To be precise, the USSR should send observers to monitor the Nevada nuclear explosions on the spot. Why does the USSR reject this from a military viewpoint?

[Szentesi] I do not believe this will yield anything substantial for the Soviet experts since, at a maximum, they can look at what they were shown before and after the explosion; however, it will in no way go towards precluding the development of nuclear weapons, or freezing nuclear weapons at the present quantitative and qualitative level, or, in fact, considerably reducing their quantity.

[Szabo] In any case, what tests are the USSR proposing to ban, at least temporarily?

[Szentesi] It is the last possible version of nuclear weapon tests, the underground explosions. The two world powers agreed approximately 2 decades ago, at the start of the sixties, not to carry out explosions in the atmosphere, not to conduct explosions above ground, on the sea, or under the sea, and not to explode nuclear devices in space.

Since then for a long, long time, they have been attempting to ban all versions of nuclear tests. Discussions were conducted in Geneva right up to 1980 at tripartite talks, with the participation of Great Britain, the United States, and the USSR, to ban all nuclear tests. It is now a question of banning the last type of nuclear tests, the underground explosions, for which there have been determining limitations up to now, with even underground nuclear devices above a determined impact force being prohibited. However, in the case of underground explosions it must be added that their objective is not necessarily the testing of new nuclear devices; these explosions are also outstandingly suited for carrying out earthworks. The significance of this is great precisely from the USSR's point of view, since this can play a very major role in the Siberian region when the USSR wants to change the direction that a river flows. Even so, the USSR, so that there might be no more nuclear explosions, is willing to renounce this as well, is willing to enter into a total ban on underground nuclear explosions, or the total ending of nuclear explosions, or the total ending of nuclear weapons tests.

[Szabo] We know that within U.S. politics, and recently in connection with Reagan's illness, the tug-of-war has intensified between the so-called extremists, those who represent the most rigid stance, and the so-called more sober, more moderate types such as Shultz. Are we aware of the existence of a similar division within the military leadership?

[Szentesi] We do not have precise information. But certainly, just as within the political leadership, there also might be differences within the military leadership, and evidently the military leadership does have a wing, a more sober wing -- first and foremost those who know well the impact data and the possibilities of these frightening weapons, who do not consider it necessary to further increase the nuclear weapons arsenal.

[Szabo] From the point of view of the timing of the Gorbachev proposal, I believe it is no coincidence that the Helsinki conference's jubilee memorial session was held this week by the foreign ministers of 35 countries. I noticed that the Western information media, radios, and newspapers made big efforts in the interests of depreciating Helsinki, this consultation. At the same time, naturally, we strove to emphasize that we do indeed ascribe great significance to the series of consultations that took place this week, to the [word indistinct] and the results as well.

JAN-JUN 1985 DOMESTIC TRADE STATISTICS REPORTED

AU010812 Budapest NEPSZABADSAG in Hungarian 31 Jul 85 p 1

[Text] According to the Ministry of Domestic Trades' report on the turnover of goods, in the first half of the year the population purchased the same amount of goods as in the first half of last year in comparable prices, but 6.4 percent more in current prices -- a total of 238.5 billion forints of goods. The rate of turnover growth fell behind that of last year and also behind that planned. Within the half-year period, the turnover in the second quarter was slightly greater than that of the first quarter. Calculating in unchanged prices -- that is, regarding the amount of goods sold -- there has been an increase only in the turnover of food articles. Sales of clothing articles were down 4.2 percent; those of mixed industrial goods were down 0.2 percent; and those of the catering industry were down 2 percent compared to the first half of last year.

There was a slight improvement in the level of the supply of goods compared to previous years and this is in accordance with plans.

Along with the adequate level of food supply, however, there has been a deterioration in the supply of certain products like live fish, sliced poultry, canned vegetables and fruit, pickles, spice paprika, and cheap wine. Mainly as a result of proper winter storage, there has been a more favorable development than last year in the sales of potatoes, vegetables, and fruit, and in the free market supply. Shortages in the assortment of product clothing stores continue to be frequent and among industrial goods black-and-white and color television sets and automatic washing machines continue to be frequently in short supply.

Demand for food and beverages was lower in June than in the previous months. The trade fulfilled demand for the most important food articles. Lemons offered for sale are of inadequate quality, are not ripe enough, and their skins are too thick. The supply of potatoes, vegetables, and fruit in produce shops in Budapest and in the markets was better than a year ealier. Prices in produce shops were 7.6 percent higher and on the free market they were 6 percent higher than in June last year. The price of potatoes, however, decreased considerably, by 40 to 50 percent; and that of fruit decreased to a smaller extent, by 2.7 percent.

There was a smaller turnover in the clothing retail trade in spite of the fact that the majority of enterprises also organized various discount sales.

There was, however, an improvement in the supply of men's and boys' suits and the trade also largely fulfilled the demand for women's and young girls' clothing. For the first time after a long period there was an improvement in the assortment of children's shoes and sandals and women's shoes.

The turnover of mixed industrial goods increased slightly more than average in June. The supply improved somewhat: In hardware there was an adequate supply and assortment of heating appliances, bathtubs, and gas ranges at the consumers' disposal; there was an improvement in the range of domestic refrigerators; and there is less of a shortage than previously with regard to electric water heaters with a capacity of less than 100 liters, radios, tape recorders, bicyles and spare parts for them, In spite of the slightly improving supply, there continues to be a shortage of cheaper record players and radiators.

BEGINNING OF LAZAR'S ANNUAL VACATION REPORTED

LD021739 Budapest Domestic Service in Hungarian 1630 GMT 2 Aug 85

[Text] Budapest -- Premier Gyorgy Lazar has started his regular annual holiday.

EFFECTIVENESS OF NEW MANAGEMENT METHODS DEBATED

AU301431 Budapest NEPSZABADSAG in Hungarian 27 Jul 85 p 3

[Laszlo Karcagi article: "Debates and Regulators"]

[Text] The modifications serving the further development of economic management came into effect 6 months ago. This length of time is, of course, not enough for us to be able to conclude with adequate certainty whether these modifications have stood the test. Life and experience, however, whether we like it or not, evaluate the system of economic management every day. And we are not talking only about the fact that an increasing amount of criticism has been applied to some of the regulators lately, but also about the fact that the figures and facts are even more explicitly criticizing these regulators.

These facts and figures show that the economy does not want to increase to the expected and desirable higher pace. Important balance indicators have not improved but deteriorated in recent months. There are few signs for the time being that the favorable processes expected from the modifications of regulators are actually unfolding, and as a whole, neither the enterprises' income-producing capacity or competitiveness has improved.

It is worth pondering the extent to which the insufficient operation of certain regulators is responsible for these negative conditions and on the extent to which other shortcomings are responsible -- for instance, the fact that, according to the signs, there are still many ways to avoid stricter requirements. It is particularly important to think over these experiences now when development of the Seventh 5-Year Plan's branch and enterprise conceptions is going on at full speed. It is not at all immaterial under what conditions, possibilities, and limitations we start on these most difficult 5 years ahead of us.

Where Is the Mistake?

The evaluations concerning the modifications of regulators, both official and unofficial, generally point out that the modifications have basically stood the test. But they immediately add that the insufficient operation of certain elements of the system of regulators is causing in some place great difficulties to guiding and guided personnel alike. Let us dwell less on things that have stood the test and point out instead some of the problems, mainly those about which most debate is going on nowadays.

The data characterizing the economy of the first half of the year have been recently published. These show that -- let us hope only temporarily -- there has been a halt in improvement of the foreign economic balance.

It is true that we are in a better position in our trade with the socialist countries than a year ago, but with regard to nonruble-accounted trade, both exports and imports are considerably behind the plan. Imports are up 5 percent over the first half of 1984; exports, however, compared to the planned 5 percent increase, have decreased 2-3 percent. The rough winter has also contributed to this (we are forced to import a surplus of $170 million worth of energy producing materials). The fundamental problem, however, is still the fact that production is not increasing according to plan. That is, we did not succeed in achieving perhaps our most important economic goal of the current year, namely to shift the economy from its state of stagnation and to stimulate it for a faster increase.

Many people, first of all enterprise experts, believe that the shortcomings of the export regulations have also considerably contributed to the development of this unfavorable situation. The main goal of the current year's changes in this area was to make sure that the regulators are stimulating the enterprises for the expansion of economical exports more strongly than previously, and that the regulators urge the kind of transformation of the export structure that would enable a fast increase in the proportion of competitive and high-profit goods. In order to improve the national economic balance, the regulations have even urged exports that were, to a certain extent, deficit-making in recent years; at that time our national economy needed the dollars acquired in this way, too. This regulation was favorable for the quantitative increase in exports, but its big mistake soon emerged: It stiffened and preserved the fundamentally outdated and unfavorable export structure and thus contributed to further deterioration of our foreign terms of trade.

The new regulators tried to eliminate the shortcomings but -- at least the experiences so far have shown -- what happened was not exactly what we had expected. Although the enterprises considerably reduced the unprofitable exports and withdrew from certain markets, quite a few of them did not care to substitute the unprofitable exports with profitable ones.

The problems already emerged at the beginning of the year: The enterprises planned $240 million less exports to capitalist countries than the national economy absolutely needed.

After all this it is worth pondering whether we have to look for the causes of the mistake in this development of exports only in the foreign trade regulations. What in fact happened was that part of the enterprises reacted to the pressing circumstances not by improving work and competitiveness, but by withdrawing or, if you like, by "throwing in the towel." They are marketing their goods domestically rather that on foreign markets, and they can afford to do this because the domestic market it still characterized by shortages rather than surpluses. As a result, the conditions have slackened, poorer quality also sells, and most importantly, extra expenses deriving from the poor quality of the work can be more or less added to the prices. Foreign markets are not willing to put up with this.

Considering it from this point of view, no matter how good and well thought out the export regulations might be, as long as the "soft" domestic market provides a way out of the tough requirements of the foreign market, it is difficult to really stimulate the economic unites to accept the higher requirements of world market standards.

Robbed Enterprises

The enterprise leaders could, of course, be right in that modernizing the product and export structure and improving competitiveness necessary for fulfilling foreign market requirements is not merely a question of goodwill. It requires money and there is no money. There is no money because -- let us put this way -- the budget is robbing the enterprises to the greatest possible extent and even beyond that.

With this we have come to the other big subject of current economic debate, the problem of enterprise income regulation. The high budget centralization of enterprise incomes is in the focus of criticism, which means that the budget withdraws too many of the profits and the enterprises are left with too little money to develop. Many of them are absolutely essential for the desirable structural modification. The high accumulation tax (18 percent) in particular is often criticized. In many places it is said that it makes technological-technical progress impossible.

The fact that so far this year enterprises have spent even less on development than last year underscores these complaints and shows that it is worth paying attention to them. This is altogether an undesirable phenomenon because in this way the economy can hardly be shifted to that certain new path of a concomitantly faster increase.

So far, there is almost full agreement in this between the managers and those being managed. Opinions differ, and very much, in how it would be possible to reduce the really too high proportion of income centralization.

This is because, precisely as in the case of export incentives, in this case too we are not talking about the proper or faulty operation of a single regulatory element. While huge pressure is applied on the budget organs concerning the reduction of withdrawals, namely taxes, the need for central preferences and supports is at least as great. The state finances the latter from budget incomes, from taxes -- that is, to use a professional expression, it redistributes their incomes. Consequently, it can reduce taxes only if it succeeds in reducing the amount of supports on the other side. The budget can afford to withdraw less profit only if it is forced to spend less on settling the enterprise losses. Today it is already clear that this is the only possible path of progress and it would do no harm to accept already now that we must pay the price of tax reductions with reduced supports.

The latter unfavorably affects mainly the weaker economic units and some would most probably be fatally affected by the fact that without support they would be incapable of existing and would have to be discontinued.

Reducing supports is, of course, not merely a question of willingness and decision. Preferences and advantages are accompanying facts of economic activity. As a result of their different profiles and possibilities, enterprises react differently to stricter economic circumstances. Besides, this fact was taken into consideration in the course of further development of the economic macromanagement system. Several branches and enterprises were given temporary advantages and easy terms in order to have the time and possibilities to adjust to the increased tasks. It seems, however, that these advantages have become -- in a record time -- acquired rights and the enterprise enjoying these rights have completely forgotten that these supports are only temporary and that they have to do their best to be able to succeed without them.

Right after the new regulators came into force months ago, there was a perceptible increase in the efforts directed towards easing the severity of economic management, towards avoiding requirements. There has been an increase in pressure for wage increases -- "wage pressure" -- and lateley there has been an increase also in "price pressure," which is the great driving power of inflation. It is, of course, difficult, both generally and in practice, to say when we are talking about justified price and wage increases that also have a stimulating effect on the economy, and when we are talking about circumventing more stringent requirements, about dishonest price increases. The market could best decide on this question but -- and this is precisely the big question -- can we trust the value judgments of the Hungarian market?

Along with the export problems we have already referred to the fact that the domestic market has not developed according to expectations. Shortages and excessive demands are still characteristic of the market. The competition between the producers and vendors has developed very slowly. Thus, if there is a debate about the weaknesses of the price regulations, the weaknesses of the domestic market must also be discussed because these two aspects cannot be separated.

All economists agree that progress requires stronger market conditions -- namely, a structure of the domestic market which is well served by measures easing the flow of capital and labor and repressing monopolies.

Hold on to Requirements!

Our opinion is perhaps well illustrated by all these facts. Results cannot be obtained by debates about the regulators if only one single aspect of the management is examined on each occasion and if the fact that the regulators form a correlated system is disregarded. It is a mistake to blame the regulations for the ineptness present in our economy and for the shunning of responsibilities.

This does not mean that we doubt the justification of the criticism. The operation of the regulating system must be monitored constantly, and -- heeding the concepts of stability -- intervention must be implemented in all those cases where the regulators stimulate the businesses to act and operate against our intentions.

However, our experience shows that at present there appear to be more debates than action. It seems that too much energy is wasted on theoretical polemics. While the economy is struggling with old and new difficulties, some of the businesses and managers focus their attention on the ambition of seeking new economic positions instead of showing concern for coping with daily problems.

(Because such ambitions are not at all unnatural in the present state of our economy, we do not intend this statement to be a criticism but only a diagnosis.)

For the time being we feel that in certain cases searching for possibilities to escape from the grip of regulations consumes more energy than the efforts actually used to improve the quality of work. It is possible that, in the light of future experience, the operation of certain particular elements in management ought to be reconsidered. However, the essence of the matter is that requirements must be adhered to, otherwise it would mean giving up our predetermined aims.

ECONOMIC ROLE OF CHAMBER OF COMMERCE TO INCREASE

LD021204 Budapest MTI in English 1018 GMT 2 Aug 85

[Text] Budapest, August 2 (MTI) -- From a state agency the Hungarian Chamber of Commerce has been transformed into a public organization. According to a recent law this company representation organization of one thousand members will have more opportunity to be involved in state administration and the preparation of economic decisions in particular.

The Hungarian Chamber of Commerce is the voluntary association of state companies and cooperatives that in the course of its trade promotion work has established a worldwide network of partner institutes. It has cooperation agreements with the chambers of commerce and industry and foreign trade institutes of sixty countries. The Hungarian Chamber of Commerce delegates and receives trade missions and sponsors symposiums, economic and technical lectures and round-table conferences to bring together potential business partners. On three to four occasions a year it organizes Hungarian economic days, that also comprise cultural and tourist events in countries that are regarded important for foreign traders or promise good business opportunities. Last year there were Hungarian economic days in Britain and this year will be held in Kiev, five Indian cities, Canada and the GDR, with Hungarian companies presenting their offers.

Contacts established by the Hungarian Chamber of Commerce with several international economic organizations including the UNIDO [United Nations Industrial Development Organization], UNCTAD, GATT have enabled companies to participate in pharmaceutical, construction, aluminium, instrument and telecommunication industry development programmes in the developing countries. The chamber participates in the East-West commission of the International Chamber of Commerce and runs permanent representations in Delhi, London, Moscow and Paris.

As a representation organization, the chamber is consulted on major decisions affecting companies. The principal change in the chamber's status is that the recent law makes such an ad hoc practice compulsory. This move is expected to make national economic planning and the formulation of economic regulators a more thorough and accurate process. The chamber will be consulted before licences are issued for the foundation of new companies, or before existing companies are wound up. It will also act as a corporate representation organization of company managers. With personal injuries company managers, as workers, may turn to the trade unions.

One of the major jobs of the chamber is to coordinate the interests of member companies, as it is regarded a time-consuming and dragging process. Chamber leaders are of the opinion that appropriate means should be found.

The change in the legal standing of the chamber and the greater scope of its rights make it necessary to streamline its organization. Planning of a more efficient organization that will operate at a higher level is to begin in September.

PZPR CENTRAL COMMITTEE HOLDS 21ST PLENUM

Jaruzelski Chairs Plenum

LD031057 Warsaw Domestic Service in Poland 1005 GMT 3 Aug 85

[Excerpts] Good morning. The 21st PZPR Central Committee Plenum is meeing in Warsaw. Over to our reporters.

The plenum began at 1000, and was chaired by Wojciech Jaruzelski, first secretary of the PZPR Central Committee. Sejm deputies, members of the Sejm PZPR group, and Henryk Jablonski, chairman of the Council of State, are present.

A Politburo report entitled The Party's Tasks in the Election to the Sejm was delivered by Tadeusz Porebski. Next, Kazimierz Barcikowski, Politburo member and secretary of the PZPR Central Committee, who during this Sejm term of office was chairman of the parliamentary PZPR, delivered a report on the work of the group.

Porebski Gives Politburo Report

LD031730 Warsaw Domestic Service in Polish 1107 GMT 3 Aug 85

[PZPR Central Committee Politburo report delivered by Tadeusz Porebski, Politburo member and secretary of the PZPR Central Committee, entitled: "The Party's Task in the Election to the Sejm" at the 21st PZPR Central Committee Plenum on 3 August in Warsaw -- recorded]

[Text] Esteemed comrades: In 2 months elections to the PPR Sejm will be held. We are therefore entering a decisive phase in the electoral campaign. In accordance with the decisions of the 20th Central Committee Plenum, it is my task today to delineate the tasks for party members, party organizations, and committees in this campaign. As the Central Committee, it is also our duty to express our view on the prospective candidates who are members of our party and who have been proposed to appear on the national electoral list.

The busy eighth term of office, which is now ending, also gives us a good opportunity to express an opinion on its achievements and role in carying out the socialist renewal and implementing the social, economic, and political reforms. According to the statute, it is also our duty to evaluate the work of the parliamentary PZPR and the involvement of our party deputies in implementing the party policy and program. The coming elections make one think, too, about the tasks the Sejm will face in its new term of office. The elections to the PPR Sejm will be a particularly important event in the life of the nation and state.

The citizens of our country will elect the supreme organ of the state authorities. It plays a great role in leading the state, economic, and soical life and is particulary responsible for developing socialism and making it permanent in our country, and is also responsible for the future of all Poles. In the electoral campaign, in the elections to the Sejm itself, the ideal of people's power is realized most fully. We shall elect representatives who on our behalf will decide on many fundamental matters of the life of our nation. In the course of the electoral campaign the citizens will also cooperate in creating the program of activity of our state for the near future.

Because of this it is necessary to have a joint and deep discussion of the Poland of today and of the future, (?to have a patriotic duty of involving oneself in the pre-electoral debate and) participating in the elections. The elections will be held within the process of continuing the socialist renewal, the process that has brought about fundamental changes in the development, among other things, of socialist democracy.

The ninth party congress strongly emphasized the party's duty to develop the ideal of the people's power. This is a permanent direction of our activity. We are implementing it consistently. The development of people's rule is served by the new way in which the party fulfills its leading role in society. The party consistently observes constitutional norms that define the position of the Sejm within the political system. The party looks after the proper functioning of the organs of authorities and state administration and is not a substitute for them in the fulfillment of their functions and tasks, which are defined by the law. The party has assumed as its duty to ensure the supremacy of the elected bodies over the administrative bodies. The party fulfills its leading role in representative organs through its deputies and councillors who are members of the parliamentary PZPR or party teams. Advantageous conditions for increasing the role of the representative organs have been created by broadening partnerlike cooperation between the PZPR, ZSL, and SD in the Sejm forum and in people's councils at all levels. Great significance to the development of the system of people's rule in our country lies in the activity of the Patriotic Movement for National Rebirth [PRON]. For all the social forces that approve the principles of the Constitution and wish to contribute to the development of the socialist Poland, PRON constitutes a platform for working out and agreeing on national issues.

PRON is also a medium for aspirations and methods of achieving them. It creates the possibility for citizens to influence state policy. It expresses public opinion with the aim of improving relations between the authorities and citizens. It also inspires and organizes social activities. Thus, PRON plays an important role in our social and political life. Caring for the constant growth of PRON's role and authority is the constant task of party members active in this movement.

A significant achievement in developing mechanisms of socialist democracy is constituted by the joint meetings of the Government Presidium and the PRON National Council, during which national issues are discussed frankly and openly. The party considers it purposeful to develop this mechanism also at lower levels of state activity.

The role of the people's councils in our system of socialist democracy has grown considerably. The law on the system of the people's councils and local self-government passed in July 1983 expanded their competence, creating all the prerequisites for them to be real masters of their territory. Representatives of all milieus and professional groups have been elected to people's councils. We also note with satisfaction that the number of nonparty members among councillors has grown as a result of the last election. These new authorities also include self-governments of inhabitants of towns and villages. Their bodies, district committees, and elder's councils have become an important cell in the system of people's power. Over 400,000 citizens are active in these committees and councils.

The first year of activity of the people's councils has brought favorable results. Their programs for the plans of activity for the current year have been created through wide public consultations. The councils take initiatives for the utilization of local production reserves and for increasing the effectiveness of the management of work enterprises.

They take initiatives concerning voluntary work and introduce new forms of implementing their functions and tasks. For example, after the 16th Central Committee Plenum, the councils expanded their contacts with the work enterprises. They held circuit sessions of their presidiums and commissions. They are exhibiting high responsibility and activity in solving local issues.

Soon the people's councils will begin supplementing their programs of activity adopted for the current term of office with the socioeconomic provisions for the country's development for the coming 5-year period. In accordance with the law already mentioned, they will make independent decisions concerning the allocation of financial means, thereby expanding their role as the real master of their territory.

An increase in the participation of nonparty members in the system of exercising power has recently become an important aspect of the development of people's authority. More often than before they occupy leading posts in the state and economic administration. They participate in the decision making process. They have been widely included in consultative and advisory bodies at party committees and in state administrative bodies. The influence of nonparty members of state policy is growing through the possibility of participation in self-governing trade unions, and also due to the expansion of the competences of workers self-managements and other forms of self-management.

A considerably greater role than hitherto can and should be played in the system of democracy by the social organizations and associations. At the 20th plenum we submitted the proposal of considering handing over to them many fields and spheres of activity that have been dealt with so far by state institutions. Many of the associations possess considerable potential, especially with respect to personnel, for bringing about a growth in social activeness in different areas of social and economic life.

This is at the same time a chance to raise their status and social appreciation. The citizens' consultative meetings and the social debate on the creation of conditions for the further development of our country constitute a good opportunity for the associations to come forward with the relevant initiatives and proposals in this sphere.

It is in the implementation of democracy that the party sees the basic source of the growth of the state's strength, the source of the consolidation of its worker-peasant character. Deomocracy creates realistic opportunities for the broad participation of working people in the governing of the state; it releases social energy, activeness, and support for the policy of the state; it contributes to the integration of the nation around common aims; it counteracts attempts at the anarchization of social and economic life; and finally, it contributes to a growth in social discipline.

(?Thus) we may understand the words of Lenin who wrote: The state is strong through the awareness of the masses; the state is strong when the masses know about everything, when they can pronounce a judgment about everything, and when they do everything consciously. These words are and will remain a permanent principle of our party in the aspiration toward consolidation and expansion of democracy, whose highest institution is the PPR Sejm.

Esteemed comrades, several days ago the Sejm assessed its 5-year-long activity. Let us recall the basic motifs in this assessment. The Sejm of the eighth term will go down in the history of parliamentarism in Poland as eminently active. Despite the different conditions in which it worked, it won for itself a high position and political prestige in the state and community. It came out unambiguously in favor of and acted in the interest of socialist renewal and national accord.

It created the legal foundations for sociopolitical and economic reforms. The extremely intensive and rich legislative activity of the Sejm of the passing term of office arose from a striving toward the consistent implementation of the social proposals and expectations. It was also linked with the need to put the law in order and bring it up to date in keeping with the social transformations taking place in our country. However, the broadest scope of this activity was connected with the implementation of the program of the ninth congress of our party.

The party and the government demonstrated much initiative, will, and determination to create the legal bases for the socialist process of renewal. The Sejm of the eighth term passed more than 200 laws. They embrace almost all spheres of state, social, and economic life. The most significant include the legal regulations consolidating the democratic political order. The Sejm adopted in this field the laws, I recall, on the system of the people's council and the regional self-governments, on the employees' self-managements at state enterprises and on the sociovocational agricultural organizations.

The widespread lawmaking activity of the Sejm was also connected with implementation of economic reform and improvement in the mechanisms of the functioning of the national economy. One can, for example, list here some very important laws: on socioeconomic planning, state enterprises, improvement of the management of state enterprise and its bankruptcy [as heard], and on the principles for the creation of enterprise wage fund systems. Also of significance are the Sejm's achievements in the sphere of education and national culture, as it has approved, among others, the law on the National Cultural Council, the fund for development and popularization of culture, and the laws on rights and duties of cultural sector employees and on artistic institutions. The Sejm has passed many laws concerning the welfare policy of the state; for instance, the laws on retirement provisions for employees and their families, on special rights for war veterans, and on national insurance for private farmers and their families. One should also recall the laws aimed at combating social pathology -- among others, procedures against work shirkers, sobriety laws, and laws to counter alcoholism and prevent drug addiction. Two amnesty laws have been of great significance in the process of stabilizing the sociopolitical situation in Poland. The Sejm has developed its control function to a broad extent. The Supreme Control Chamber [NIK] has been directly subordinated to it. Constitutional accountability of persons in the highest state posts to the Constitutional Tribunal has been introduced. To ensure that the Sejm has up-to-date control over the policy of the state, it currently has at its disposal the full report on the social and economic situation and on the activity of the government. The powers and control activities of the Sejm commissions have been extended, and the importance of the deputies' written and oral questions has been increased. The Sejm has strengthened its supervisory role over the state administration, and it has a realistic influence on the process of socioeconomic planning and on the passing of the state budget. Its powers as regards appointment of the supreme state organs have been extended. The Sejm commissions avail themselves of the right to give their opinions on candidates to government posts. A new solution in our parliamentary practice would be the creation of a socioeconomic council at the Sejm, which would enrich the Sejm's work with opinions from various social milieus and organizations on all the most significant draft laws and resolutions presented to the Sejm.

The Politburo suggests to the Central Committee that there is a need for a proposal to be introduced by, of course, our parliamentary party on establishing such a council in the Sejm in its new term of office.

It would seem that during the process of forming a future council, the Sejm deputy candidates whose names are being put forward during the present Sejm electoral campaign should be considered.

Attached to the Sejm Presidium is a team of Sejm advisers composed of representatives of various disciplines and specialties. Broad use of the opinions of experts and specialists, including scientists and scholars, is made by the Sejm commissions. A permanent practice of the Sejm's work is now to draw on the opinions of social organizations and to involve representatives of trade unions, associations, and other organizations as consultants.

In its activity the Sejm makes broad use of social consultations. The Sejm functions in the open. The principle has been shaped of a broad journalistic information service with accounts of the plenary sessions and sessions given by the Sejm commissions. This broadens the knowledge of the community about its work; it provides a better understanding of the principles for creating the law and of its application.

Despite unfavoralbe conditions the Sejm has also developed active international contacts. An exchange of parliamentary delegations has occurred between our country and the socialist, capitalist, and developing countries. These actions have contributed to the dissemination of information on the real situation in Poland and to the breaking down of (?barriers) and of attempts to isolate our country on the international arena, attempts undertaken by the United States and some NATO countries.

Comrades, the active, creative work of the Sejm of the eighth term was to a broad degree inspired by the deputies, members of our party. The PZPR group within the Sejm forum implemented the program and policy of the party. It worked intensively, presenting its opinions at the plenary session of the Sejm. It adopted a stance on all the important issues that were the subject of debates. It came out with legislative initiatives. Members of the parliamentary party actively participated in the plenary discussion and in the Sejm commissions. Through the inspiration of the parliamentary faction of our party, the initiative was taken to more closely link the work of the Sejm commissions and of deputies who are PZPR members with the problem commissions of the Central Committee.

Representatives of the parliamentary party were invited to plenary sessions of the Central Committee. Worker-deputies took part in the debates of the 16th plenum. Deputies-party members also took part in the work of the National Conference of the PZPR Delegates. All these actions enrich the work of the parliamentary PZPR. They have also permitted our deputies to better implement the program and policy of the party in the Sejm. A broader discussion of the work of the parliamentary faction is envisaged, as has been announced, as the second item on the agenda of our session today. We may, however, in all responsibility state that the faction fully coped with the tasks confronting it. For their active and devoted work, members of the parliamentary PZPR deserve words of the highest appreciation.

Comrades, the elections to the Sejm will be carried out according to the new electoral regulations. The Ninth Extraordinary PZPR Congress defined the need for perfecting the electoral regulations. Last year the new electoral regulations for people's councils were adopted. The adoption of new electoral regulations for the Sejm has been an element of a broader, lasting process of democratization and renewal of the sociopolitical life in our country. The solutions contained in them reflect many social proposals addressed to the Council of State, which was the organizer of the discussion on that draft.

A large group of citizens took part in it. Polemic opinions on that matter were presented in mass media. The PRON National Council came up with its proposals and remarks on these regulations. It was the organizer of civic consultations on the assumptions of the draft regulations. Many regulations contained in the law are novel in character. Using the experiences acquired in the process of reforming the electoral law, we shall continue to strive for its further improvement.

The system for selecting candidate deputies is a fundamental matter in the elections. The new regulations call for there to be a wide circle of people empowered to propose candidates.

At the national level, 474 social organizations have received this right: the trade unions, social and professional unions, organizations of farmers, the socialist unions of youth, and veteran and women's unions. Such a large group of people empowered to select candidates for deputies extends the possibilities for an active influence of citizens on the future composition of the Sejm. The procedure for selecting candidates has been socialized. It is taking place in the full view and with the participation of a great part of the society.

Many more candidates for deputies, relative to the number of parliamentary seats, will be put forward according to the new principles. Not all of them can be placed on electoral lists. Not all of them will be elected to the Sejm. But just being put forward as a candidate for deputy is an expression of great trust and a great social honor.

The new system for selecting candidate deputies has resulted in great, responsible tasks being faced by electoral councils set up by the new regulations. They will receive submissions of candidates for deputies and present them to the voters at civic consultative meetings and in the mass media. They will also have a final say on the contents of electoral lists.

Thus, the electoral councils, consisting of representatives of the PZPR and other political parties, associations of lay Catholics, as well as social organizations at the national level, have an important political role to fulfill.

We put party members active in councils under the obligation to show supreme concern that the lists of candidates contain people of an unimpeachable moral and political attitude, who stand out for their model work, who are sensitive to social problems and individual cases, and who will guarantee that they will properly fulfill the duties of a deputy, for the benefit of the electors and all of society.

The electoral lists, from the point of view of social, professional, and world outlooks of the candidates on them, should be registers that look toward the ideas and principles of national accord. In the regulations, new rules concerning the creation of electoral registers were passed. On district registers there will be two candidates for every mandate. Another new solution is the introduction of a national electoral register. Candidates for the Sejm on this register will be, among others, people who have obtained the mandate of their organizations to hold a post at national level, as well as people whose political, economic, cultural, and scientific activities go beyond the confines of a voivodship or region. Regardless of their activity, they are not specifically linked with any voivodship in practice; for this reason they should and will be elected by all the citizens of our country.

The electoral regulations alter the way that the complement of the Sejm is filled out. This can only be done through by-elections. A deputy can only be deprived of his mandate by the electorate in a general vote.

An important safeguard for the legality of the conduct of the elections is created by the possibility that citizens may lodge protests and reservations regarding the electoral procedure directly with the Supreme Court. This procedure was checked out during the people's council elections. It is a good and effective instrument of control by the electors on whether the elections are being carried out in accordance with the regulations.

The party will do everything for the election campaign and the election act itself to be carried out in strict accordance with the letter and spirit of the law. A good knowledge by the general public of the solutions inherent in the electoral regulations will be of real significance here. We put party organizations and committees under the obligation of continuing to undertake activities to disseminate among the public the principles of the new electoral regulations.

Esteemed conrades, at the 12th plenum we said that the electoral registers should be registers of national accord. They will certainly contain the citizens most worthy of public trust: party members and nonparty people, workers and peasants, members of the intelligentsia, and craftsmen who are capable of meeting the high requirements set by citizens for deputies. The electoral councils will soon be starting to decide on the list of candidates, who, in turn, will be presented to society at consultative meetings. The Central Committee, fulfilling the statutory decisions of the ninth congress, passed at its last plenum the regulations for selecting candidates from our party for deputies of the PPR Sejm.

The voivodship committee, in accordance with these regulations, will give recommendations at their plenary sessions for candidate deputies of the PZPR. We place particularly high demands on those candidate deputies who are party members. They ought to possess a righ experience of life, politics, and society, and to distinguish themselves with a model attitude and (?work) in their private life, as well as with sensitivity to human problems.

Every candidate deputy recommended by the party has been and will be subjected to repeated assessments. Candidate deputies have already been proposed from among leading workers, peasants, representatives of the intelligentsia, and the youth aktiv. They had to obtain a positive reference from the parent party organization and then be accepted by the committees at various levels. In this way, the primary party organizations and party members participated directly in the candidate selection process. The party organizations and committees also have the right to give support to nonparty-affiliated candidates. They availed themselves of this right in many cases.

The basic forum for presenting the proposed candidates to the voters will be the citizens' consultative meetings. The opinions and observations about them, submitted during these meetings, will exert a significant influence on the electoral lists. Members and candidate members of our party have the duty to participate in these meetings. Special tasks confront those organizations and committees that have given recommendations to candidate deputies. They must actively present these candidates to the community.

The electoral regulations have determined that we shall elect no more than 15 percent of the Sejm from the national list, that is, no more than 69 deputies. The Council of State, in accordance with its rights, has established that 50 deputies will be elected from the national list. The candidacies presented by the PRON National Council to the National Electoral Council are the result of an agreement between all the signatories of the PRON declaration.

The Politburo requests that the Central Committee give its recommendation to the candidate deputies who are members of the PZPR, proposed by the PRON National Council, and standing for election from the national electoral list, and that the Central Committee express its support for the entire list.

At the same time the Politburo proposes that the Central Committee make it incumbent upon members of our party who are part of the PRON National Council to act to take into account the proposed candidacies during the establishment of the national electoral list.

Esteemed comrades, the successful course of the elections will strengthen Poland internally, just as it will strengthen it in the international arena.

The world will only take note of a strong socialist Polish state. Nobody must forget this truth. Today, when the West noisily undermines the Yalta and Potsdam Agreements and imperialism imposes an arms race and transfers it into space, this truth is of special significance. It must be understood and considered by anyone who wishes to live in peace and work for peace, to whom the safe borders and independence of our state are dear. A permanent and worthy place in the community of the socialist states, membership in the Warsaw act, increasing participation in the socialist division of labor within CEMA, and alliance and friendship with the USSR and other socialist states -- these are the inviolable principles of the policy of our party and state. Recent difficult years clearly emphasized and confirmed the correctness of the way we have traveled. Whether the Poland of the end of the 20th century is safe, efficient, and ruled by law, is a state of socialist democracy and social justice depends exclusively on wise action and the joint efforts of all its citizens. We are going to the elections with the joint program contained in the PRON electoral declaration. Its content will be discussed at the consultative meetings of citizens. Such meetings will constitute a forum for the deepening of the dialogue and accord and a factor that increases the feeling of the civic responsibility and the patriotic commitment of the Poles. They will be a good opportunity for exchanges of views on key issues of strengthening of the state and development of our country. A socialist state is the greatest good and of most value to the nation. It ensures for it sovereignty, an independent existence, and secure borders. Only through the state institutions is the nation capable of deciding its fate, developing successfully, building material prosperity, and creating its culture and the wealth of spiritual life. A strong socialist state is a well-organized state, ruled by law, and efficient; it is a state that successfully resolves economic problems and creates conditions for favorably satisfying the needs of the citizens. The state guards the democratic principles of social life and consistently implements social equality and justice. A strong state is needed by the citizens; only such a state is capable of looking after their interests well, guaranteeing for them a peaceful life and work, and ensuring order. But a state can only be strong if it has the support of its citizens, if it takes advantage of their wisdom, if it uses their activity and commitment and the quality of their work, and if it uses their collective effort and social discipline.

During the election campaign every citizen, every milieu, social organization, and the entire nation should consider together how to improve the functioning of the state and increase its strength. The answer to that depends and will depend on the contribution by every citizen to the implementation of that important work.

At civic consultative meegings we will also be discussing the socioeconomic assumption for the country's development in the coming 5-year period. This will be a 5-year period of consolidation of and creation of new capabilities for the national economy, for its balanced and effective development. An improvement in the effectiveness of management is a fundamental condition for increasing economic potential and is linked with meeting society's needs and expectations better all the time. This will require the release of new developmental reserves: We have, as we all know, a large amount.

Our opportunity lies above all in developing scientific-technological advances and joining them with well-organized, reliable, and productive work. Work is the source of the nation's strength and prosperity; for this reason we must constantly establish the work ethic. Reliable, capable, well-organized work is the fundamental duty of every Pole. The quality of work done by worker and peasant is decisive for the standard of our material life. Evaluation of the work of the scientist and engineer will be decided on by their contribution to scientific-technological and organizational progress. The standard of knowledge and upbringing of our children depends on the quality of the teacher's work. The state of the nation's health depends on the work of the doctor.

Everyone who works well, who rises above the average, and who has talent deserves moral and material satisfaction. Pay should be considrably higher for higher and better results. It should be considerably less for lower and worse ones. The principle of social justice demands this. I have quoted here form the PRON election declaration.

The preelection discussion should not be lacking on subjects regarding raising the cultural level of everyday life and the civilized conduct of interpersonal relations. We need more everyday mutual goodwill: on the street, in the shop, in the office, in the factory. At the same time we must not be lenient and tolerant towards manifestations of wrong. We must fight against those people who want to live in credit, for free. We have often spoken of this: Fight against the idle, the parasites, the profiteers. This is not just a task for public order bodies. Not even the best legal regulations are enough. All of society should join in this struggle and fight against those who want to live at somebody else's expense.

Every negative manifestation in social life, theft, craftiness [cwaniactwo], disregard for work, or damage to public property must be condemned loudly and immediately by the community. Only in this way do order and civilized living develop in a modern society.

Esteemed comrades, very responsible tasks will face the Sejm in the ninth term of office. It will continue the process of socialist renewal and make democratic transformations permanent in the life of the society. One of its main tasks will be to improve the rule of the people in the socialist state by further increasing the importance of the organs of representation and self-government and by improving the democratic mechanisms of wielding power. Its inspirational, legislative, and control activity should be subordinated to the implementation of these tasks. In its new term of office the Sejm will have to devote much attention to the problems of economic policy and create conditions for the full implementation of the 5-year plan and consistent implementation of the economic reform, in addition to supporting important matters linked with its implementation such as counteracting inflation, combating poor management, increasing productivity, and accelerating scientific-technological progress, as well as obtaining a lasting market balance. Such efforts should bring about a clear material improvement of the living conditions of our nation.

For the first time several million young citizens will go to the ballot boxes. For the first time in their lives they will decide jointly on public matters of great importance. In the discussion of the future of Poland the voice of the younger generation should be especially meaningful. The party knows that it is not easy for young people to get started in life nowadays. In Poland we have housing and market difficulties; the network of kindergartens and nurseries is inadequate. We wish to resolve these problems successfully. However, without the commitment and participation of the young people themselves this is not possible.

Therefore, active participation by young people in the electoral campaign and the elections will create realistic chances for them to have a real influence on the solutions to these complex matters. The electoral campaign and the elections will be attended by all who are not indifferent to the good of their fatherland.

The enemies of socialist Poland, calling for the boycott of the elections, are striving to weaken our state and want to show to the world a Poland that is weak and divided, and to show Poles as incapable of the joint action agreed upon for the good of their country. Opposing this call is the duty of every Pole who is a patriot; it will testify to his civic maturity. Taking part in the elections to the Sejm, we shall pronounce ourselves in favor of the deepening of the democracy, the continuation of the socialist renewal and national accord, the strengthening of the Polish economy, and an increase in the ranking of Poland in the world.

Through our involvement in the Sejm elections, we shall contribute to the shaping of a favorable situation and to the security of our socialist homeland, People's Poland.

Barcikowski Gives Sejm Report

LD031955 Warsaw Domestic Service in Polish 1107 GMT 3 Aug 85

[Report by PZPR Central Committee Politburo member Kazimierz Barcikowski on the work of the Sejm PZPR parliamentary group delivered at the 21st PZPR Central Committee Plenum on 3 August in Warsaw -- recorded]

[Text] Comrades: The members of the Central Committee have received a report on the work of the PZPR parliamentary group in the Sejm of the eighth term. This report, prepared by the Presidium of the parliamentary group, was considered by the Politburo, which decided to refer it for today's Central Committee debates. In this manner we shall emphasize the fact that the PZPR parliamentary group, in accordance with the PZPR statute adopted by the ninth congress, is called upon to implement the political line of our party in the Sejm. On the basis of this resolution [as heard] the practice has developed of delegating to the parliamentary party, through resolutions of the Central Committee or the Politburo, the tasks to be implemented in the Sejm. It is worth noting that the Central Committee is considering a report by the parliamentary party, and thus it is assessing the parliamentary party's work at the end of a Sejm term of office, for the first time in the postwar history of our party.

I stress this fact because I observe in it a new important accent in the approach of our party towards the implementation of the leading role in the state. This corresponds to the spirit and letter of the resolutions of the ninth congress, which established that the party realizes its leading role through the members acting in the relevant institutions and organizations -- namely, in the Sejm, through its parliamentary party. One more thing: The party, through the parliamentary faction, influences the creation of the law, while in turn it observes the law and watches over its formation in party activity, and thus it stands guard over the principle of law observance. This is a fundamental significance for the shaping of the legal culture of the community, as well as for the consolidation of respect for the law within the party itself and in the state.

The report presented to the comrades provides extensive information on the work of our parliamentary faction and of the Sejm of the eighth term. Our point is that the detailed information contained in it can be exploited in the activity before the new elections to the Sejm. There would, however, be no sense in repeating the text of the report in my speech. I shall therefore limit myself to key issues and to some conclusions that arise for us from the experience of the work of the Sejm of the eighth term.

Much has been written and said concerning the great substantive work that has been performed by the Sejm. This is true, but most important about its activity is the fact that such a large group of representatives who were elected in 1980 have turned out to be capable of acting and assuming responsibility in such changed conditions, following the conflicts of 1980, the ninth party congress, and the introduction of martial law. This Sejm, as the highest body of state power, with a great feeling of responsibility for the fate of the socialist state and for the peace and security of the citizens, conscientiously performed its duties in the changing and dramatically difficult situation, gaining the appreciation of the basic ranks of citizens.

The Sejm remained a keystone and a cohesive force for our state in the most difficult moments of the crisis, guarding constitutional principles and making the decisions necessary for them to be implemented. This overall assessment is not undermined but is even to some extent underscored by the political and psychological confusion of some deputies who have left the Sejm, or, remaining in it, have presented different opinions. When the society was divided and emotional, it was hard to expect that this would not be reflected in the Sejm. The openness of the Sejm discussions and the correspondence of deputies' speeches with a large part of public opinion emphasized the authenticity of the Sejm and its importance in the state.

After August 1980 the Sejm took up the great idea of national accord and created the possibility for talks and a search for solutions on a parliamentary basis. Nobody can accuse the Sejm of lacking patience or endurance in striving for that goal.

On the contrary, talks were carried on even when successive resolutions and appeals by the Sejm calling for work and calm, and appealing to a sense of civic responsibility, were made in vain. They were ignored and finally pushed aside by the extremists' announcement of demands for new elections to councils and to the Sejm. The measures and talks carried on by the Sejm brought results that the opponents of socialism did not want to take into account at the time. The awareness grew among deputies that, faced with the growing anarchy of social and economic life and vain attempts at agreement, it was inevitable that extraordinary measures would be applied to defend socialism, state security, calm, and the material existence of citizens. The awareness of this imperative was high in the Sejm, and for that reason the Sejm was not taken by surprise politically by the introduction of martial law. At the appropriate time it affirmed, by an immense majority, the legal force of the solutions adopted at the time. This Sejm has also shown the will and ability to take up the idea of socialist renewal indicated by the Ninth PZPR Congress, of reform of the economy and the organs of the state. Far from all of us are aware how profound the changes made during this time are, and they were made on the basis of the law determined by the Sejm and therefore in a law-abiding way and in accordance with constitutional principles.

We write of this in detail in a report, and here it would probably be difficult to expect that, at this rate and with the amount of legislative work introduced in constantly changing conditions, mistakes could be avoided. Mistakes can be corrected, but the work will remain and will serve socialism and Poland. One can now consider whether the Sejm should not have or could have broadened and applied its control functions more widely. It is worth recalling, however, that one of the first Sejm decisions after August 1980 was to restore the NIK as a Sejm control body. Sejm commissions also carried out control measures regarding ministerial departments and state and social institutions. We think that in the future the Sejm and its deputies will pay more attention to this aspect of its activity.

Taking care of the link between the Sejm and the working-class people, and in order to enrich and broaden it, irrespective of abundant contacts, of deputies with work teams and local communities, new commissions of deputies were set up in the Sejm, and subsequently the Socioeconomic Council was set up. It assembles, as an advisory body to the Sejm, representatives of the largest work enterprises and trade, agricultural, and cooperative organizations. This council, in our view, has passed its test, and the new Sejm should set it up again with a renewed membership.

I am talking about the work of the Sejm, but I remember that the PZPR parliamentary group had a majority in the Sejm and naturally performed the fundamental role in the Sejm's work. For these reasons the political situation in our parliamentary group determined political feelings in the Sejm to a large extent; to speak frankly, it predetermined the coherence of the Sejm.

As chairman of the PZPR parliamentary group I feel morally obliged to state to our deputies who were active at that time in the Sejm that the situation never arose in which the unity of action of deputies and party members in the Sejm was threatened. We only sporadically called for party discipline during the voting at the plenary session. In most cases the leadership of the PZPR parliamentary group limited itself to the presentation of the Politburo's stance and to an appeal for that stance to be respected. At the same time we saw to it that every deputy-party member could present his assessments, views, and proposals in the course of work on draft laws or other Sejm decisions. Nobody can take this right away from a deputy who is a party member. On the contrary, a party deputy has the right to demand to hear all opinions and arguments supporting one or another solution of a matter. If these arguments do not convince him, he has a right, according to the regulations of the PZPR parliamentary group, to appeal to the leadership of the parliamentary group and, further, to the decision of the Politburo.

One must say that our deputies took care that their rights were respected and used the appeal option. Employees of the Central Committee's Sejm Affairs Office could say much about this. Everyone who knows our activists, even if only slightly, knows that they do not easily acquiesce if they are not convinced about something.

This is a good thing, which deserves praise and not condemnation; this is important in the work of the Sejm. In our parliamentary group there was a circle of nonparty deputies. Cooperation with them existed in the spirit of partnership. The nonparty deputies held many very responsible functions within the framework of the Sejm bodies, the overwhelming majority exhibiting a high degree of civic and state responsibility and a high degree of political culture. That is why they enjoyed universal respect among party deputies in the Sejm. Our parliamentary group successfully realized the principles of coalitional wielding of authority and the line of national accord. The cooperation of our parliamentary group with the leadership of the ZSL and SD parliamentary groups went along the lines of joint responsibility and solid cooperation. Nobody was looking for differences that divide, and jointly we strengthened whatever unites the coalition. We looked for ways of miltiplying joint achievements and not going over what was done earlier. I think that such an attitude is worth making permanent also in the future. Our party cooperated in the Sejm with lay Catholics and Christian circles. This cooperation was not free from periodic tensions. There were situations in which it was necessary to argue in public with the attitudes of some of the Catholic deputies when these attitudes were unacceptable to us. However, we never disregarded the opinions and the voices that came from these circles, aware of the fact that in each attitude there is a signal that requires proper understanding and correct consideration in our own activity.

Ending this part of the deliberations, I would like to state that the Sejm of the eighth term of office and the groups of deputies acting within it were sufficiently united by a sense of responsibility for the country and the nation to act in accordance with the reasons of the state on constitutional grounds, but were diversified enough to see their differing character. Our parliamentary group took this into consideration and respected it in the Sejm's work. Esteemed comrades, the achievements of the Sejm of the eight term of office are an important trump card of our party in the coming Sejm electoral campaign.

We must not squander this achievement. On the contrary, it will be necessary to defend it before the public since opponents have already commenced actions designed to compromise the Sejm, the deputies, and the voters. This, from their point of view, is logical. In fact, for the opponents it is indispensable because in announcing a boycott of the elections they shall have to create in the public an image of the Sejm that is sufficiently bad and repellent to give the boycott appeal at least the appearances of justification.

We have the arguments needed to win the struggle for the retention of the good name of the Sejm in the people's memory. In favor of this is the Sejm's activity for the cause of the defense of the socialist political order, the security of the country and the citizens, its legislation on matters of the reform of the economy and the state, as well as the Sejm decisions on matters of the working people. It is necessary to debate the views being circulated, whether about the excessive number of laws or the need for amendments, when this sophistry by well-intentioned people coincides with the attacks on the opponents.

Whatever requires or will require on merit some changes will, after all, have to get done either way -- when the time is ripe, and in the manner we choose. [as heard] What is an excess of laws supposed to mean? You have to demonstrate which laws are unnecessary. Then there is nothing simpler than invalidating this law. I know the Sejm, and I know that it will do this with pleasure. It will even do it today, since the deputies are already sufficiently infuriated by all the talk about an excess of laws, for often the discussion begins on the excess of laws and ends with the proposal for the adoption of new ones.

Let us consider, comrades, what a great trump card it is for us that we talk not only about changes in the state, but that these changes already have established frameworks, legal foundations. Of course, the passing of a law in and of itself does not alter life, but it provides the opportunity for change in a given sector, a given sphere. To fill out the legal frameworks with social reality is wise implementational work. Sometimes we demand laws and then later are surprised that the laws are not doing our work for us. This is utopian thinking, having nothing in common with the party's approach to social reality.

Opponents attack the Sejm for the causes of amendments to acts passed in this term of office. There is not the least reason to succumb to such attacks. Let us note that the Sejm's legislative activity in such stormy years had to be yoked with the changes taking place in the state. Therefore, for example, very strict legal regulations came into force together with martial law; that was obvious. But it was also obvious that this resulted from the nature of martial law, that after some time, as the political conditions matured, it would be necessary to leave the legal regulations of the martial law period and normalize the situation in the legal sense as well. We adopted a departure from martial law in stages and in a gradual manner by the gradual lifting of limitations, by lifting them in part, by suspending martial law; and by lifting it but retaining regulations essential to ensure law and order and security. And we were right to do so.

But behind this lies great legislative work, divided up into many legal decisions and many legal acts, because each new stage required amendments to the law, in fact modifications of the corresponding regulations and laws. The Sejm passed those changes, and rightly so. The second group of acts that were subject or could be subject to amendment were acts important and difficult enough to have to be written into the law itself -- that sometime after they came into force, the Sejm would assess their operation and presumably make the necessary changes. This was the case, for example, with the trade union act, in which such an assessment was envisaged. The assessment was made and the act was amended -- beneficially for the trade unions being established, and a very good thing, too.

The third group of cases of amendment are the essential changes in acts whose provisions turned out to be incorrect or in conflict with other regulations of a new, recently passed law. Such situations occur everywhere. We have no monopoly on them, and correcting mistakes brings no discredit on anyone. This goes for correcting laws as well. So much for unjustified accusations or those that exaggerate the problem.

One must note, however, a serious problem that does exist in reality: the problem of making more efficient the entire legislative process in the state, including the Sejm. At the initiative of our parliamentary group, research into this problem was undertaken, and the results are quite typical for our situation: very weak legal services in many ministries; a low level of preparatory work, which prolongs the time that draft laws are worked on; and resulting great haste in the final stage, when the law is absolutely essential and must be quickly approved. I think that those drawing up the drafts, as well as the Sejm in the next term of office, will draw relevant conclusions to make the entire legislative process in our country more efficient. Esteemed comrades, the report of the parliamentary group speaks mainly on the work completed, but our meeting will give an opinion on the proposal of the formation of the new Sejm, the Sejm of the ninth term of office. That is why, on the basis of our experience and our observations, I wish to speak on the matter of forming the desired Sejm. Please note that the newly elected Sejm, the highest authority of our state, must work in line with its capabilities and the expectations of the citizens, and wishes to solve the issues facing it. It will, even in the initial period of its work, have to undertake all that the Sejm of the eighth term of office was unable to resolve, and there will be no time for delays or for learning.

The composition of the Sejm in our political system is in accordance with the constitutional principle of the representation of the working people of the towns and the countryside. Soliciting the proper participation of representatives of workers, peasants, and intelligentsia in the Sejm is and will continue to be important to our party. The opinions of the working class and the working people must be expressed in the Sejm by their direct representatives. Taking this as a fundamental assumption, one must note and resolve in a proper way problems that are more peripheral but nevertheless still important to the functioning of the Sejm. The first problem: the need to ensure the continuity of the work of the Sejm. The composition of the Sejm, by a natural variable, results from the elections and personnel changes that occur in the party and state. The inflow of new deputies into the Sejm is a very promising phenomenon, creating hopes for the emergence of a renewed Sejm leading group (czolowka], a kind of Sejm leadership. It is in the Sejm in particular, which emerged, historically speaking, from the tribal council of elders, that deputies of long-standing experience are needed, who know the state and its mechanisms and capabilities. The experience of the older ones and the vigor of the younger deputies are equally important to the Sejm so that it can work efficiently and dynamically.

The second problem is the need to ensure in the composition of the Sejm the necessary number of lawyers with the highest qualifications in the sphere of state law and related fields. I do not know of a situation whereby our Sejm could contain too many lawyer-deputies. There were always too few of them. During the eighth term there was once so much work on laws that there was a glaring shortage of them. It would be very favorable for the Sejm if our party saw that there was a proper proportion of legal experts among the candidates put forward by us. This will serve to increase the quality of the Sejm's work.

The third problem is the need to ensure in the Sejm the presence of experts in international relations. It is by no means qualified diplomats that are meant here. What is needed is a group of deputies with considerable knowledge in the area of international relations who possess a total of experience and ability to permit effective activity in the international sphere.

I think it is worth knowing about this -- and it is necessary, if the need arises, to tell the voters about this -- so that voting can be as rational as possible, and most certainly no more loaded with emotions than is inherent in the very nature of elections.

In conclusion, I shall repeat the thought already expressed: Let us exploit the achievements of the last Sejm in the national preelection debate. Let us create during the preelection campaign the political foundations for a new march towards the development of socialist Poland.

OLSZOWSKI COMMENTS ON HELSINKI TALKS MEETINGS

LD050708 Warsaw Television Service in Polish 1941 GMT 1 Aug 85

[Text] Foreign Affairs Minister Stefan Olszowski has returned from Helsinki. The head of Poland's diplomacy made a statement for a television news reporter at Warsaw's Okecie Airport.

[Begin Olszowski recording] One would have to deem the most important result to be the voicing of a joint will to continue what is termed the European process; namely, the process of mutual consultation between European states on the norms, forms, and scope for European cooperation. On the one hand, the conference confirmed the will to cooperate and, on the other, it drew up a whole series of specific actions. This is of no small political significance, although naturally the conference also had another dimension of no less importance, specifically, that of bilateral meetings. I held 18 such meetings. We attempted in all our talks to either achieve a specific agreement or to map out the scope of work to be carried out in the immediate future in order to realize economic agreements, agreements regarding cultural and scientific cooperation, and also political dialogue. I believe that a big step was made during t[illegible]e talks to further Poland's active return to the international sphere. [end [illegible]ording]

REPORTAGE ON LCY CENTRAL COMMITTEE'S 19TH SESSION

Preparations for 13th Congress

AU022047 Belgrade BORBA in Serbo-Croatian 31 Jul 85 p 1

[Text] Belgrade, 30 Jul -- The 13th Congress of the LCY will be held in June 1986. This is the decision that was adopted today by the members of the LCY Central Committee at their 19th session.

The LCY Central Committee also adopted several decisions linked with preparations for the 13th LCY Congress, including decisions on the rules, criteria, and manner of election of the delegates to the congress and on the formation, composition, and tasks of the Commission for Organizational Preparations of the 13th LCY Congress. It was also decided that no special cadre commission will be set up but that its work according to the LCY statute should be carried out by the commission for cadre questions of the LCY Central Committee Presidium. No special commission for information-propaganda activities will be set up for the 13th congress, but its work will be carried out by the existing commission of the LCY Central Committee Presidium.

After the introductory speech by Vidoje Zarkovic, president of the Committee for Preparation of the 13th LCY Congress and president of the LCY Central Committee Presidium, and the discussion in which 11 members of the LCY Central Committee took part, the proposal of the platform for preparation of the 13th LCY Congress was adopted.

At the beginning of the session Dimce Belovski, secretary of the LCY Central Committee Presidium, informed the members of the LCY Central Committee about the positions of the LCY Central Committee on relations within the SR of Serbia. Among other things he stressed that the Presidium at its session yesterday unanimously adopted "Positions on the Current Problems of Implementing Relations on Which Unity and Togetherness Is Based in the SR of Serbia," and concluded that in implementing them full unity should be manifested in all the organs and organizations of the LC of Serbia, the LC of Kosovo, the LC of Vojvodina, and the LCY as a whole, and that one should oppose attempts to reopen questions on which a united ideopolitical platform and clear basis for concrete activities has been established.

The members of the Central Committee adopted a proposal by the Committee for the Preparation of the 13th LCY Congress on the draft proposals for congress resolutions. They also adopted the draft resolution of the LCY Central Committee on the role and work of the LCY Central Committee to which the previous session of the Central Committee was devoted.

At the conclusion of the session, the decision of the Central Committee of the LC of Macedonia relieving Dusan Veljkovic of his membership in the LCY Central Committee was confirmed.

Controversy in Serbia SR Noted

AU031628 Belgrade BORBA in Serbo-Croatian 31 Jul 85 p 3

[Report on LCY Presidium Secretary Dimce Belovski's speech on relations in the SR of Serbia at the 19th LCY Central Committee session in Belgrade on 30 July]

[Excerpts] In the past few months the LCY Central Committee Presidium directly involved itself in, among other things, ideopolitical actions to solve more quickly the open questions and problems arising in the relations within the SR of Serbia.

It has done this in connection with implementing the constitutional setup of the SR of Serbia and the socialist autonomous provinces, and the statutory relations among the Serbia LC, the Kosovo LC and the Vojvodina LC. There are two basic reasons for the Presidium's involvement in these matters, Dimce Belovski said.

In the discussion of the draft conclusions of the 13th LCY Central Committee session, as is known, these problems also came to the fore, and the conclusions of the 16th Central Committee session specifically set the task of a further development and promotion of relations in the SR of Serbia.

At the session of the LCY Central Committee Presidium, different and even opposed views were manifested in the approach to and assessment of the results achieved in realization of the constitutional setup of the SR of Serbia and the constitutional setup of the socialist autonomous republics.

The LCY Central Committee Presidium assessed that this is a serious political problem that indicates ideopolitical disagreements in connection with this question. This provides an immediate cause for the Presidium to involve itself, to perceive the situation, and to arrive at basic assessments and directions in the ideopolitical activities to solve the problems that have arisen.

The Presidium at its session yesterday unanimously adopted the document on "The Positions of the LCY Central Committee Presidium on Current Questions on the Implementation of Relations on Which Unity and Togetherness Are Based in the SR of Serbia."

The adopted positions aim at ensuring a united ideopolitical basis for Communists' activities in realizing and promoting relations in the SR of Serbia based on the SFRY Constitution, the Serbia SR Constitution, and the constitutions of the socialist autonomous provinces.

The positions, which the Presidium adopted unanimously, were preceded by the Presidium's work through several months, which developed in direct cooperation with the leaderships of the Serbia LC, the Kosovo LC, and the Vojvodina LC. In this way, in the opinion of the Presidium, a significant result has been achieved in the efforts to overcome the problems and differences present and to create a more favorable political atmosphere in the LCY and in the public.

Election of Congress Delegates

AU031744 [Editorial Report] Belgrade BORBA in Serbo-Croatian on 31 July on page 3 carries a 1,200-word "Decision on the Rules, Criteria, and Manner of Election of the Delegates to the 13th LCY Congress" adopted by the LCY Central Committee at its session on 30 July.

The decision provides that one delegate will be elected per 2,000 LC members, and that the numerical strength of the LCY on 31 December 1985 will be taken as the basis for calculations. These delegates will be elected "at communal conferences of the LC and at other conferences corresponding to them." In addition, the LCs of the republics will elect 60 delegates each, the LCs of the autonomous provinces 40 delegates each, and the Yugoslav People's Army LCY organization 30 delegates. These delegates will be elected at respective congresses and conferences of the LCs.

The decision states that members of the LCY Central Committee, the LCY Commission for Statute Questions, and the LCY Control Commission will have the rights of congress delegates except for the right to vote on the reports.

The decision defines the criteria for election of delegates, which includes: "ideopolitical persuasion for the revolutionary course of the LCY"; "resolute engagement for the development of socialist self-management, for the strengthening of the dominant influence and power of the workers class, the development of socialist, democratic socioeconomic and political relations on the basis of the Constitution, the Associated Labor Law, and the Long-Term Economic Stabilization Program, and resolute engagement in the struggle against occurrences and protagonists of usurpation and violation of these relations -- technocratism, liberalism, bureaucratic centralism, nationalism of the unitarian and separatist types, and other ideologies and tendencies opposed to LCY ideology and policy"; "personal contribution to the building and realization of LCY policy"; "respect and trust in the community"; "confirmation in the struggle for the brotherhood, unity, and equality of the peoples and nationalities of Yugoslavia"; and "contribution to the strengthening and development of national defense."

According to the decision, it should be endeavored that the delegates include all generations; that the number of "delegates from direct production and individual agricultural producers" be more than proportional to their share of the membership; that the number of women and youths be proportional to their shares of the membership; that the number of "scientific, cultural, and public workers" be "appropriate"; and "that an appropriate national composition of delegates be ensured."

PREPARATIONS FOR 13TH LCY CONGRESS VIEWED

LD041221 Belgrade TANJUG Domestic Service in Serbo-Croatian 0545 GMT 4 Aug 85

[Text] Belgrade, 4 Aug (TANJUG) -- The LCY should formulate uniform and clear ideopolitical stands on the further development of and changes in the political system by the 13th LCY Congress. Proceeding from the results of the discussion on the draft conclusions of the 13th LCY Central Committee session and work done so far on the critical analysis of the functioning of the political system, the LCY Central Committee considers that there are no reasons for changing the foundations of the political system. However, for the sake of the effective, stable, and rational protection and development of self-managing production relations we need to eliminate shortcomings in its functioning by means of perfecting, changing, and expanding its institutions and mechanisms.

In the platform for preparation of the 13th congress, the LCY stresses that a starting point for establishing the attitudes of the LCs toward the proposals for these changes will be their contribution toward efforts to consolidate and protect the self-managing sociopolitical position of a worker in associated labor and further strengthen self-management as a whole. The key ideopolitical task of the LC in the forthcoming period will be to overcome contradictions -- in other words, conflicts between the working class, organized according to self-managing principles, and the exponents of technobureaucratic and state-owernship monopoly concerning managing surplus labor, because the one who decides about surplus labor decides about society.

The construction of a complete system of social reproduction has been designated as the main task of the LC at the present moment and this system will, as a source and a point of departure, establish the position of a worker in the basic organization of associated labor according to the Constitution and the law on associated labor. At the same time this means that consistent implementation of the Long-term Economic Stabilization Program is one of the most important tasks of the present stage of development.

Consolidation of the workers' position in organizations of associated labor is the decisive question of the development of self-managing relations and self-management in general.

This is true because the realization of rights and responsibilities of workers to constitute the basic organization of associated labor and to become associated in work organizations is the basis of breaking group-ownership behavior and technobureaucratic and group-ownership monopoly as regards the managing of social resources and all other forms of alienating income from self-managing associated labor.

Construction of the complete system of self-managing associated labor and the creation of self-managing integral reproduction entities of associated labor on the unified economic territory of the country, in keeping with the orientations of the stabilization program, requires a radical break from the practice of state orienting and patronage of the organs of socipolitical communites above associated labor. The practice must also be changed by the LC organs, which frequently support tendencies to isolate economy and accumulation.

Reproduction entities and the linking-up of the organizations of associated labor cannot be achieved in an artifical way, by decree, or by political voluntarism, but on the basis of interdependence and the common interests and needs of a worker. These processes, however, cannot carry on in a haphazard way, but must be encouraged and supported by the measures of economic policy and by creating all necessary conditions for the growth of self-managing associations within the country that will be capable of modern production and inclusion in the international division of labor on an equal footing.

An outline for the linking-up of associated labor should be the pooling of labor and resources based on the principles of joint acquisition of income accompanied by an unhampered circulation of the means of social reproduction throughout the entire Yugoslav economic territory. By organizing on these principles conditions will be created for self-managing associated labor to gradually take over key economic functions from the state and become the exponent of social integration as a whole. This is also the most reliable way of overcoming the autarkic concept of the development of the country, disintegration, and the atomization of associated labor, the breaking-up of a unified Yugoslav market, the uncoordination of economy, and an inability to achieve a more ambitious performance on the world market.

The platform points at the crucial importance of the delegates' system for realization of the constitutional status of a worker and consolidation of the working-class character of the political system and stresses that the realization and further consolidation of delegates' relations cannot be separated from the struggle of the organized forces of socialist awareness for the development of self-managing production relations. If the LC and other subjective forces are to include revolutionary socialist prospects and awareness about common interests in the process of decisionmaking, they should rid themselves of the old way of work; in other words, they should direct the center of activity toward delegations and delegates' assemblies instead of executive-administrative and managing organs.

The LCS andother subjective forces should devote special attention to further realization of the position and role of delegates' assemblies, laying an emphasis on the development and affirmation of the associated labor councils to enable them to become, as regards organization and decisionmaking, the centers where the interests of associated labor are consideredand where decisions are made about all the questions of importance for workers and other working people.

One of the aspects of the LC action should be the consistent implementation of cadre policy and perfection of the electoral system by means of further democratization and a greater influence by the working class on cadre policy in general.

Elections must therefore take into account democratic gains and principles such as equality with regard to proposing candidates, secrecy of elections, open lists, more candidates, and such things.

The LCs and all the subjective forces must in the forthcoming period also be mobilized in order to develop the concept of a municipality because without a developed self-managing municipality there can be no consolidation of self-managing relations in republics, provinces, and the federation or a strengthening of the delegates' system.

DIZDAREVIC RETURNS FROM HELSINKI CONFERENCE

LD021751 Belgrade TANJUG Domestic Service in Serbo-Croatian 1724 GMT 2 Aug 85

[Text] Belgrade, 2 Aug (TANJUG) -- Raif Dizdarevic, federal secretary for foreign affairs, who participated in the work of the ministerial gathering of countries signatory to the CSCE Final Act, a gathering that was held in the Finnish capital from 29 July to 2 August, has returned to Belgrade. During his sojourn in Helsinki, the Yugoslav diplomatic chief Raif Dizdarevic had numerous contacts with the foreign ministers of other countries. The federal secretary for foreign affairs was greeted and welcomed at Belgrade's Surcin Airport by officials of the Federal Secretariat for Foreign Affairs. Heikki Talvitie, Finnish ambassador to the SFRY, was also in the reception party.

TANJUG REPORTS ON VISIT OF USSR'S AKHROMEYEV

LD041418 Belgrade TANJUG in English 1208 GMT 4 Aug 85

[Text] Tjentiste, August 4 (TANJUG) -- The chief of the General Staff of the USSR Armed Forces, Marshal of the Soviet Union Sergey Fyodorovich Akhromeyev, who is currently visiting Yugoslavia, today made the tour of the museum of the battle of the Neretva, the legendary bridge on that river and the Sutjeska National Park. On the occasion, Marshal Akhromeyev laid flowers and paid his respects to the fallen heroes and fighters who contributed to the most glorious victories of the People's Liberation Army of Yugoslavia over the fascist occupiers in the course of the Second World War.

DINAR EXCHANGE LOSSES BILL ADOPTED TEMPORARILY

AU011846 Belgrade BORBA in Serbo-Croatian 26 Jul 85 p 1

[D. Vucinic, J. Kesic report]

[Excerpt] Belgrade, 25 Jul -- The SFRY Assembly Chamber of Republics and Provinces today adopted by simple majority the Law on Covering Losses Resulting From Dinar Exchange Rate Differences at the National Bank of Yugoslavia and the Law on Income and Expenditure Estimates of Foreign Exchange Reserves at the National Bank of Yugoslavia as a temporary measure. For both regulations the measure can be valid for 1 year at the most.

Since the documents were not adopted as a temporary measure by a two-thirds majority of all chamber members (58 voted for, 10 against, and 13 abstained from voting), the president of the chamber will inform the SFRY Assembly president about the outcome of the vote, and the SFRY Assembly president will inform the SFRY Presidency. The Presidency will then promulgate the laws as a temporary measure.

The Chamber of Republics and Provinces did not, as had been expected, discuss possible adoption of the Law on Internal Foreign Exchange Claims because members of the Committee for Economic Relations With Foreign Countries agreed that the document be discussed and decided upon in September.